

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

A SERVICE AGREEMENT BETWEEN NEWPORT)	
STEEL CORPORATION AND THE UNION)	CASE NO. 90-068
LIGHT, HEAT AND POWER COMPANY)	

O R D E R

The Commission, on its own motion, HEREBY ORDERS that a hearing be and it hereby is scheduled on August 1, 1990 at 9:30 a.m., Eastern Daylight Time, in Hearing Room No. 1 of the Commission's Offices at 730 Schenkel Lane, Frankfort, Kentucky. The Union Light, Heat and Power Company shall be prepared to discuss and explain the following issues:

a. The various rate schedules and riders used to serve Newport Steel Company ("NSC") since November 1982 and the reasons why the schedules and riders used to serve NSC during this period were modified, substituted, or otherwise changed.

b. The present circumstances that justify serving NSC under Rider LM.

c. The prohibition of cogeneration of electricity by NSC, as outlined in Article I of the proposed Service Agreement, and whether that prohibition violates Title II of the Public Utility Regulatory Policies Act of 1978 and the Commission's Regulation 807 KAR 5:054.

d. The scheduled rate increases as detailed in Article III, Section 3.5 of the proposed Service Agreement and the justification for such increases from a cost-of-service perspective.

Done at Frankfort, Kentucky, this 6th day of July, 1990.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director